

# HOME EQUITY LINE OF CREDIT<sup>SM</sup> AGREEMENT AND DISCLOSURE STATEMENT

Principal: \$92,000.00	Loan Date: 10-29-2007	Maturity: 10-29-2037	REDACTED	-Call / Coll:	REDACTED	Officer: ***	Initials:
References in the shaded area are for our use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: LLOYD V WARREN III  
54 HENRY ST  
NORWICH, NY 13815

Lender: JPMorgan Chase Bank, N.A.  
Home Equity and Consumer Lending Division  
1111 Polaris Parkway  
Columbus, OH 43240

CREDIT LIMIT: \$92,000.00

DATE OF AGREEMENT: October 29, 2007

**Introduction.** This HOME EQUITY LINE OF CREDIT AGREEMENT AND DISCLOSURE STATEMENT ("Agreement") governs your line of credit (the "Credit Line" or the "Credit Line Account") issued through JPMorgan Chase Bank, N.A.. In this Agreement, the words "Borrower," "you," "your," and "Applicant" mean each and every person who signs this Agreement, including all Borrowers named above. The words "we," "us," "our," and "Lender" mean JPMorgan Chase Bank, N.A.. You agree to the following terms and conditions:

**Promise to Pay.** You promise to pay JPMorgan Chase Bank, N.A., or order, the total of all credit advances and FINANCE CHARGES, together with all costs and expenses for which you are responsible under this Agreement or under the "Mortgage" which secures your Credit Line. You will pay your Credit Line according to the payment terms set forth below. If there is more than one Borrower, each is fully obligated to keep all of your promises and obligations contained in this Agreement. This means we can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower. Each Borrower authorizes any other Borrower, on his or her signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. We can release any Borrower from responsibility under this Agreement, and the others will remain responsible.

**Term.** The term of your Credit Line will begin as of the date of this Agreement ("Opening Date") and will continue until October 29, 2037 ("Maturity Date"). All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon maturity. The draw period of your Credit Line will begin on a date, after the Opening Date, when the Agreement is accepted by us in the State of Ohio, following the expiration of the right to cancel, the perfection of the Mortgage, the receipt of all required certificates of noncancellation, and the meeting of all of our other conditions and will continue as follows: ten (10) years. The Draw Period is also referred to as the "First Payment Stream". You may obtain credit advances during this period ("Draw Period"). After the Draw Period ends, the repayment period will begin and you will no longer be able to obtain credit advances. The length of the repayment period is as follows: twenty (20) years. The Repayment Period is also referred to as the "Second Payment Stream". You agree that we may renew or extend the period during which you may obtain credit advances or make payments. You further agree that we may renew or extend your Credit Line Account.

**Minimum Payment.** During the Draw Period your Regular Payment will be equal to the amount of the FINANCE CHARGE accrued for the billing cycle for which the statement is rendered. You will make 120 of these payments. Your payments will be due Monthly. Advances to your credit line or an increase in the ANNUAL PERCENTAGE RATE may increase your Regular Payment. If you make only the Regular Payment during your Draw Period, the principal balance outstanding on your line will not be reduced as a consequence of your payment of only the FINANCE CHARGE due.

During the Repayment Period, your minimum monthly payments will be (a) the unpaid principal balance divided by the remaining number of scheduled payments, plus (b) the amount of finance charge accrued plus any fees and any amounts past due. You will make monthly payments as noted below during the Repayment Period.

Range of Balances	Number of Payments	Amortization Period
All Balances	240	240 payments

Your "Minimum Payment" will be the Regular Payment, plus any amounts past due and all other charges. In addition, we have the right to require you to pay fees and charges assessed on the Credit Line Account with and in addition to the Minimum Payment. You agree to pay not less than the Minimum Payment on or before the due date indicated on your periodic billing statement. If your credit line balance falls below \$100.00 during the Repayment Period, you agree to pay your balance in full.

**How Your Payments Are Applied.** Unless otherwise agreed or required by applicable law, payments and other credits will be applied to principal, interest, fees and other charges in any order. Except for any balances subject to the Conversion Options provisions of this Agreement, if your Credit Line Account has principal balances outstanding at different rates, we may apply principal payments first to outstanding balances at the lowest applicable rate before applying principal payments to balances accruing interest at a higher rate. The Conversion Options provisions contain additional payment application rules if you use the conversion options. We may apply all payments and credits in accordance with our standard operating procedures and with the requirements of applicable law. Notwithstanding anything to the contrary in this Agreement, we may apply our standard operating procedures to verify that we have received good funds after we received your payments before releasing the payment amounts as available credit on your Credit Line Account.

**Receipt of Payments.** All payments must be made by a check, automatic account debit, electronic funds transfer, money order, or other instrument in U.S. dollars and must be received by us at the remittance address shown on your periodic billing statement. Payments received at that address prior to close of business on any business day will be credited to your Credit Line as of the date received. If we receive payments at other locations, such payments will be credited promptly to your Credit Line, but crediting may be delayed for up to five (5) days after receipt.

**Credit Limit.** This Agreement covers a revolving line of credit for the principal amount of Ninety-two Thousand & 00/100 Dollars (\$92,000.00), which will be your "Credit Limit" under this Agreement. During the Draw Period we will honor your request for credit advances subject to the section below on Lender's Rights. You may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. Your Credit Limit is the maximum principal amount you may have outstanding at any one time. You agree not to attempt, request, or obtain a credit advance that will make your Credit Line Account balance exceed your Credit Limit. Your Credit Limit will not be increased should you overdraw your Credit Line Account. If you exceed your Credit Limit, you agree to repay immediately the amount by which your Credit Line Account exceeds your Credit Limit, even if we have not yet billed you. Any credit advances in excess of your Credit Limit will not be secured by the Mortgage covering your principal dwelling.

**Charges to your Credit Line.** We may charge your Credit Line to pay other fees and costs that you are obligated to pay under this Agreement, the Mortgage or any other document related to your Credit Line. In addition, we may charge your Credit Line for funds required for continuing insurance coverage as described in the paragraph titled "Insurance" below or as described in the Mortgage for this transaction. We may also, at our option, charge your Credit Line to pay any costs or expenses to protect or perfect our security interest in your principal dwelling. These costs or expenses include, without limitation, payments to cure defaults under any existing liens on your principal dwelling. If you do not pay your property taxes, we may charge your Credit Line and pay the delinquent taxes. Any amount so charged to your Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, we have no obligation to provide any of the credit advances referred to in this paragraph.

**Credit Advances.** After the Effective Disbursement Date of this Agreement, you may obtain credit advances under your Credit Line as follows:

**Credit Line Checks.** Writing a preprinted "credit line check" that we will supply to you.

**Requests in Person.** Requesting a credit advance in person at any of our authorized locations.

If there is more than one person authorized to use this Credit Line Account, you agree not to give us conflicting instructions, such as one of you telling us not to give advances to the other.

**Limitations on the Use of Checks.** We reserve the right not to honor credit line checks in the following circumstances:

**Credit Limit Violation.** Your Credit Limit has been or would be exceeded by paying the credit line check.

**Post-dated Checks.** Your credit line check is post-dated. If a post-dated credit line check is paid and as a result any other check is returned or not paid, we are not responsible for any losses or damages you incur.

**Stolen Checks.** Your credit line checks have been reported lost or stolen.

**Unauthorized Signatures.** Your credit line check is not signed by an "Authorized Signer" as defined below.

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Termination or Suspension. Your Credit Line has been terminated or suspended as provided in this Agreement or could be if we paid the credit line check.

If we pay any credit line check under these conditions, you must repay us, subject to applicable laws, for the amount of the credit line check. The credit line check itself will be evidence of your debt to us together with this Agreement. Our liability, if any, for wrongful dishonor of a check is limited to your actual damages. Dishonor for any reason as provided in this Agreement is not wrongful dishonor. We may choose not to return credit line checks along with your periodic billing statements; however, your use of each credit line check will be reflected on your periodic statement as a credit advance. We do not "certify" credit line checks drawn on your Credit Line.

Transaction Requirements. The following transaction limitations will apply to the use of your Credit Line:

Credit Line credit line check and In Person Request Limitations. There are no transaction limitations for the writing of credit line checks or requesting an advance in person.

Authorized Signers. The words "Authorized Signer" for credit line checks as used in this Agreement mean and include each person who signs this agreement.

Lost credit line checks. If you lose your credit line checks or if someone is using them without your permission, you agree to let us know immediately. The fastest way to notify us is by calling us at (800) 800-5628.

Future Credit Line Services. Your application for this Credit Line also serves as a request to receive any new services (such as access devices) which may be available at some future time as one of our services in connection with this Credit Line. You understand that this request is voluntary and that you may refuse any of these new services at the time they are offered. You further understand that the terms and conditions of this Agreement will govern any transactions made pursuant to any of these new services.

Collateral. You acknowledge this Agreement is secured by a Consumer Mortgage - Plain Language dated October 29, 2007, to us on real property located in CHENANGO County, State of New York, all the terms and conditions of which are hereby incorporated and made a part of this Agreement. If there is any inconsistency between the terms and conditions of this Agreement and the terms and conditions of the collateral documents, the terms and conditions of this Agreement shall prevail.

Insurance. You must obtain insurance on the Property securing this Agreement that is reasonably satisfactory to us. You may obtain property insurance through any company of your choice that is reasonably satisfactory to us. You have the option of providing any insurance required under this Agreement through an existing policy or a policy independently obtained and paid for by you, subject to our right, for reasonable cause before credit is extended, to decline any insurance provided by you. In no event however, pursuant to Section 38.9 of the New York Banking Board Regulations, will you be required to provide hazard insurance in excess of the replacement value of the buildings and other improvements on the Property. Subject to applicable law, if you fail to obtain or maintain insurance as required in the Mortgage, we may purchase insurance to protect our own interest, add the premium to your balance, pursue any other remedies available to us, or do any one or more of these things.

Periodic Statements. If you have a balance owing on your Credit Line Account or have any account activity, we will send you a periodic statement. It will show, among other things, credit advances, FINANCE CHARGES, other charges, payments made, other credits, your "Previous Balance," and your "New Balance." Your statement also will identify the Minimum Payment you must make for that billing period and the date it is due.

When FINANCE CHARGES Begin to Accrue. Periodic FINANCE CHARGES for credit advances under your Credit Line will begin to accrue on the date credit advances are posted to your Credit Line. There is no "free ride period" which would allow you to avoid a FINANCE CHARGE on your Credit Line credit advances.

Method Used to Determine the Balance on Which the FINANCE CHARGE Will Be Computed. A daily FINANCE CHARGE will be imposed on all credit advances made under your Credit Line imposed from the date of each credit advance based on the "daily balance" method. To get the daily balance, we take the beginning balance of your Credit Line Account each day, add any new advances and subtract any payments or credits and any unpaid FINANCE CHARGES. This gives us the "daily balance."

Method of Determining the Amount of FINANCE CHARGE. Any FINANCE CHARGE is determined by applying the "Periodic Rate" to the balance described herein. Then we add together the periodic FINANCE CHARGES for each day in the billing cycle. This is your FINANCE CHARGE calculated by applying a Periodic Rate.

Periodic Rate and Corresponding ANNUAL PERCENTAGE RATE. We will determine the Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE as follows. We start with an independent index which is the Prime Rate. Prime Rate means the base rate on corporate loans posted by at least 75% of the USA's largest banks known as The Wall Street Journal Prime Rate and published in The Wall Street Journal (or alternate publication if required) on each publication day of each month. If more than one rate is published as the prime rate, the Prime Rate will be the highest rate called "the Prime Rate" (the "index"). We will use the most recent Index value available to us as of the date of any ANNUAL PERCENTAGE RATE adjustment. The Index is not necessarily the lowest rate charged by us on our loans. If the Index becomes unavailable during the term of this Agreement, we may designate a substitute index after notice to you. To determine the Periodic Rate that will apply to your First Payment Stream, we subtract a margin from the value of the Index, then divide the value by the number of days in a year (daily). To obtain the ANNUAL PERCENTAGE RATE we multiply the Periodic Rate by the number of days in a year (daily). This result is the ANNUAL PERCENTAGE RATE for your First Payment Stream. To determine the Periodic Rate that will apply to your Second Payment Stream, we subtract a margin from the value of the Index, then divide the value by the number of days in a year (daily). To obtain the ANNUAL PERCENTAGE RATE we multiply the Periodic Rate by the number of days in a year (daily). This result is the ANNUAL PERCENTAGE RATE for your Second Payment Stream. The ANNUAL PERCENTAGE RATE includes only interest and no other costs.

The Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE on your Credit Line will increase or decrease as the Index increases or decreases from time to time. Any increase in the Periodic Rate during the Second Payment Stream will take the form of a higher Minimum Payment amount. Adjustments to the Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE resulting from changes in the Index will take effect on the first calendar day following the publication of a new Prime Rate. In no event will the corresponding ANNUAL PERCENTAGE RATE be more than the greater of 21.00000% or the maximum rate we would be allowed to charge or collect by federal law or the law of the State of Ohio (as applicable). On the day we prepared this document, the Index was 7.750% per annum, and therefore the Initial Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE on your Credit Line are estimated below. Your Initial Periodic Rate and corresponding ANNUAL PERCENTAGE RATE will be based on the Index in effect on your closing date.

## Current Rates for the First Payment Stream

Range of Balance or Conditions	Margin Added to Index	ANNUAL PERCENTAGE RATE	Daily Periodic Rate
All Balances	-0.510 %	7.240 %	0.01984 %

## Current Rates for the Second Payment Stream

Range of Balance or Conditions	Margin Added to Index	ANNUAL PERCENTAGE RATE	Daily Periodic Rate
All Balances	-0.510 %	7.240 %	0.01984 %

Notwithstanding any other provision of this Agreement, we will not charge interest on any undisbursed loan proceeds, except as may be permitted during any Right of Rescission period. No matter what else may be stated in any other provision of this Agreement or in any other document you may have with us, you do not agree or intend to pay, and we do not agree or intend to charge any interest or fee for the HOME EQUITY LINE OF CREDIT AGREEMENT AND DISCLOSURE STATEMENT which would in any way cause us to contract for, charge or collect more for the Credit Line Account than the maximum we would be permitted to charge or collect by any applicable federal or Ohio state law. Any such excess interest or unauthorized fee will be applied first to reduce the unpaid principal balance of the Credit Line Account, and when the principal has been paid in full, be refunded to you.

Conversion Options. This Agreement contains an option to convert the interest rate from a variable rate with interest rate limits to a fixed rate as calculated below. The following information is representative of conversion features recently offered by us.

ANNUAL PERCENTAGE RATE Increase. Your ANNUAL PERCENTAGE RATE may increase if you exercise this option to convert to a fixed rate.

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**Conversion Periods.** With our written consent, any one of you can exercise the option to convert to a fixed rate (a "Lock") for either the entire outstanding balance on the Credit Line Account or any portion thereof (but not less than \$1,000.00). We reserve the right to limit any Locks you take at closing to no more than 95% of your Credit Limit.

**Fully Amortizing Lock Option.** At any time during the Draw Period, you can choose a Lock that will fully amortize in substantially equal monthly installments for a term of up to the remaining originally scheduled term of your Credit Line account.

**Reduced Payment Lock Options.** During the Draw Period, you can choose a 3, 5 or 7 year Lock term with a reduced payment requirement. At the end of the 3, 5, or 7 year period selected, your Lock will mature. However, you cannot choose a Reduced Payment Lock option that will mature later than 1 full month before the originally scheduled end of your Draw Period. At the time you select your Reduced Payment Lock option, you must choose from the following payment options on the Lock:

- (1) Pay the amount of interest that accrues on that Lock for the billing cycle for which the statement is rendered.
- (2) Pay the greater of the amount of interest that accrues on that Lock for the billing cycle for which the statement is rendered, or 1% of the outstanding balance on your Lock, but if the balance on your Lock falls below \$100.00, you will pay your Lock balance in full.
- (3) Pay the amount that would be required to fully repay the Lock over a 360 month term in substantially equal installments.

**Maturity Options for Reduced Payment Locks.** If you select a Reduced Payment Lock Option, at the maturity of such a Lock you will have the following options:

- (1) If you are still within the Draw Period, you can re-Lock the remaining Lock balance using the Fully Amortizing Lock option described above.
- (2) If you are still within the Draw Period, you can re-Lock the remaining Lock balance using the Reduced Payment Lock options described above. However, you cannot choose a Reduced Payment Lock option that will mature later than 1 full month before the originally scheduled end of your Draw Period.
- (3) You can roll the remaining balance of your Lock into your Credit Line at the standard Credit Line terms under this Agreement. If you make no election, we will select this option for you.

**General Lock Provisions.** You may have up to 5 Locks outstanding at any one time but may not make additional advances to any one Lock once established. The total outstanding balance on any Lock will not be subject to the "Credit Advances" and "Minimum Payment" section of this Agreement. Your Minimum Payment due each month will be the sum of the payment amount for each Lock plus the minimum payment amount for the balance of your Account which has not been designated as a Lock (the "Credit Line"), calculated using the formula set forth in the "Minimum Payment" section of this Agreement. Additional payments in any Lock may be made at any time but shall not affect your obligation to pay succeeding Lock payments as long as any amount is still owing on the Lock. Any payment made upon your outstanding principal balance in any Lock will be available on the Credit Line for you to draw against upon posting of such payment prior to the maturity date. If your outstanding balance includes one or more Locks as well as a balance on your Credit Line, unless you properly designate otherwise on a payment coupon we provide you, then each additional payment we receive will be first applied to the Credit Line until paid in full. Also, unless you properly designate otherwise on a payment coupon we provide you, if there is no Credit Line to which to apply an additional principal payment, then the additional principal payment may be applied to any Lock at our discretion. Additional Lock payments will not affect your obligation to pay succeeding Lock payments as long as any amount is still owing on the Lock unless we otherwise agree in writing.

Upon conversion, the converted outstanding balance will accrue interest at a fixed rate as calculated in the Rate Determination section and as otherwise provided in this Agreement.

**Conversion Fees.** You will be required to pay the following fees at the time of conversion to a fixed rate: We may charge you \$0.00 for each Lock that we set up at your request.

**Cancellation of Lock.** If you later request that we cancel a Lock, we may permit you to do so if you agree to pay the Lock cancellation fee that is in effect at the time of cancellation for each Lock you cancel. You will be required to sign an amendment to this Agreement which will contain the amount of the agreed upon cancellation fee.

**Rate Determination.** The fixed rate will be determined as follows: We will start with the "Lock Index," which is the yield on U.S. Treasury securities having a comparable period of maturity to the scheduled maturity of the requested Lock as of the 15th day of the month immediately preceding the month in which you request your Lock. If the Lock index becomes unavailable during the term of this Agreement, we may designate a substitute index after notice to you. We will then add 10 percentage points to the Lock index. Your fixed lock rate (the "Fixed Lock Rate") will be the lowest of the following: the amount arrived at from the foregoing calculation, 21%, or the maximum rate we are allowed to charge you at the time of your lock under federal law, which for the purposes of 12 U.S.C. Section 85 incorporates Ohio law. We will then review the rates and terms available for a comparable Home Equity Loan offered by us at the time of your request based upon a like loan to value ratio, loan term and your credit profile. In the case of a Reduced Payment Lock Option, we will also consider the rate we might offer for a loan of a similar term. If, after that review we determine that we can offer you a lower rate than the Fixed Lock Rate, we will give you the lower rate. We will provide a complete disclosure of the terms of the Lock at the time the Lock is established.

**Conditions Under Which Other Charges May Be Imposed.** You agree to pay all the other fees and charges related to your Credit Line as set forth below:

**Annual Fee.** The Annual Fee for the first year is waived. Thereafter, a nonrefundable Annual Fee of \$50.00 will be charged to your Credit Line beginning on your first anniversary date and will continue annually throughout the Draw Period.

**Payment of Closing Costs.** If you elect to charge your Credit Line Account to pay the closing costs associated with your Credit Line (such as title insurance premiums, appraisal fees, credit report fees, and recording fees), the total of these charges will be reflected as "closing costs" on your first periodic billing statement.

**Returned Items.** You may be charged \$25.00 if you pay your Credit Line obligations with a check, draft, or other item that is dishonored for any reason.

**Fee to Stop Payment.** Your Credit Line Account may be charged \$15.00 when you request a stop payment on your account.

**Overlimit Charge.** Your Credit Line Account may be charged \$25.00 for each credit advance in excess of your Credit Limit. This includes writing a credit line check in excess of your available balance.

**Late Charges.** Your payment will be late if it is not received by us within 15 days of the "Payment Due Date" shown on your periodic statement. If your payment is late we may charge you \$25.00.

**Fee to Close Account.** If you close or terminate your Credit Line Account, you may be charged the following:

(1) Your Credit Line Account may be charged the lesser of 1% of your Credit Line or \$400.00 if you close or terminate your Credit Line Account within three (3) years from the Loan Date shown above. You will not be charged this fee if we suspend or terminate your Credit Line Account. You may prepay your Credit Line Account without paying this fee as long as you do not close or terminate your Credit Line Account.

(2) **Conditional Waiver of Fees(s).** You acknowledge that you had the option to pay the Total Fee(s) Conditionally Waived disclosed below at closing, and you elected to have us pay such fee(s). We agree to conditionally waive such fee(s) unless you close or terminate your Credit Line Account within three (3) years of the Loan Date shown above. If you close or terminate your Credit Line Account within eighteen (18) months from the Loan Date, you will repay to us one hundred percent (100%) of such fee(s). If you close or terminate your Credit Line Account after eighteen (18) months from the Loan Date but within three (3) years from the Loan Date, you will repay to us fifty percent (50%) of such fee(s). You will not be required to repay any portion of such fee(s) if we suspend or terminate your Credit Line Account. You may prepay your Credit Line Account without repaying any portion of such fee(s) as long as you do not close or terminate your Credit Line Account. The Fee to Close Account described above is in addition to any amount you must repay under this paragraph.

The term "Mortgage Tax," as used in the Fee(s) Conditionally Waived paragraph below, means the borrower's portion of any tax paid to a state, county or other government office as a condition to record the security instrument that secures your Credit Line Account.

**Lien Release Fees.** In addition to all other charges, you agree, to the extent not prohibited by law, to pay all governmental fees for release of our security interests in collateral securing your Credit Line. You will pay these fees at the time the lien or liens are released. The estimated amount of these future lien release fees is \$28.50.

**Fee(s) Conditionally Waived.** You acknowledge that we have paid the following fee(s) on your behalf to open your Credit Line Account, and



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we will conditionally waive such fee(s) in accordance with the Conditional Waiver of Fee(s) paragraph above:

Mortgage Tax	\$460.00
Total	\$460.00

Other Charges. Your Credit Line Account may be charged the following other charges:

**Account Return Check Charge.** We may charge you a fee for the return of a check because you are delinquent or in default in any respect concerning the Credit Line Account. The amount of this other charge is: 25.00.

The charges listed in the following Security Interest Charges paragraph (if such paragraph is present) are part of the closing or settlement costs associated with your Credit Line.

**Chase Payment Assurance<sup>SM</sup> Plan.** The Terms and Conditions of the Chase Payment Assurance Plan ("Plan") are described in this section. The Plan is an optional debt cancellation feature and gives you the right, for a Fee, to have us cancel some or all of your Credit Line Account balance in certain circumstances. You may choose to purchase the Plan at the time you sign your Agreement or at any time during the three (3) year period following your loan closing unless, at the time of your request to purchase: (a) your Credit Line Account can be terminated by us or your Credit Limit suspended or reduced, for one of the reasons set forth in this Agreement, (b) your Credit Line Account has been more than thirty (30) days past due one or more times during the six (6) month period preceding your request, or (c) your Credit Limit exceeds the maximum single family dwelling loan size eligible for sale to the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association. You may notify us either orally or in writing that you want to purchase the Plan. If a word or phrase in this section appears in capital letters, the meaning of that word or phrase appears in the "Definitions" section of the Chase Payment Assurance Terms and Conditions that are included with and a part of this Agreement.

**Plan Packages.** Chase Payment Assurance offers three Plan packages, Platinum, Gold and Silver. Each package is available as single protection (protecting one borrower) or joint protection (protecting two borrowers).

- (1) **Platinum Package:** provides protection for Disability, Involuntary Unemployment, Leave of Absence, and Accidental Death to the Protected Borrower(s).
- (2) **Gold Package:** provides protection for Involuntary Unemployment, Leave of Absence, and Accidental Death to the Protected Borrower(s).
- (3) **Silver Package:** provides protection for Disability, Leave of Absence, and Accidental Death to the Protected Borrower(s).

The Protected Borrower(s) may have up to twelve (12) Regular Payments cancelled, plus Fees, if the Protected Borrower experiences a Protected Event that is part of his/her Plan package, namely a covered Disability and/or Involuntary Unemployment. Up to three (3) Regular Payments may be cancelled, plus Fees, in the event of a covered Leave of Absence. There may be up to two (2) separate periods of protection for a separate incidence of a covered Disability, Involuntary Unemployment, and Leave of Absence. In the case of a covered Accidental Death of a Protected Borrower(s), the outstanding balance of the Credit Line Account as of the date of death will be cancelled.

**Fee.** The Fee for the Plan is billed and payable as part of your Regular Payment. The applicable Fee for each Plan package and for single and joint protection is as follows:

Package	Single Protection	Joint Protection
	Monthly Fee	Monthly Fee
PLATINUM	10.00% of your Regular Payment	18.00% of your Regular Payment
GOLD	6.00% of your Regular Payment	10.00% of your Regular Payment
SILVER	6.00% of your Regular Payment	10.00% of your Regular Payment

**Plan Terms and Conditions and Activation.** When you sign this Agreement below, you will agree to the Terms and Conditions relating to the Plan, including those set forth above and those included with this Agreement. The Terms and Conditions explain the eligibility requirements, conditions, and exclusions that could prevent a Protected Borrower from receiving benefits under the Plan. You will find a complete explanation of the eligibility requirements, conditions, and exclusions in Sections II, III, IV and V of the Terms and Conditions included with this Agreement. The Plan is optional and these Terms and Conditions will not apply until you notify us (either now or later on) that you want to purchase the Plan.

**Lender's Rights.** Under this Agreement, we have the following rights:

**Termination and Acceleration.** We can terminate your Credit Line Account and subject to any notice requirement or other limitation of applicable law require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if any of the following happen:

- (1) You commit fraud or make a material misrepresentation at any time in connection with this Credit Agreement. This can include, for example, a false statement about your income, assets, liabilities, or any other aspects of your financial condition.
- (2) You do not meet the repayment terms of this Credit Agreement.
- (3) Your action or inaction adversely affects the collateral for the plan or our rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

**Suspension or Reduction.** In addition to any other rights we may have, we can suspend additional extensions of credit or reduce your Credit Limit during any period in which any of the following are in effect:

- (1) The value of your property declines significantly below the property's appraised value for purposes of this Credit Line Account. This includes, for example, a decline such that the initial difference between the Credit Limit and the available equity is reduced by fifty percent and may include a smaller decline depending on the individual circumstances.
- (2) We reasonably believe that you will be unable to fulfill your payment obligations under your Credit Line Account due to a material change in your financial circumstances.

(3) You are in default under any material obligations of this Credit Line Account. We consider all of your obligations to be material. Categories of material obligations include the events described above under Termination and Acceleration, obligations to pay fees and charges, obligations and limitations on the receipt of credit advances, obligations concerning maintenance or use of the property or proceeds, obligations to pay and perform the terms of any other deed of trust, mortgage or lease of the property, obligations to notify us and to provide documents or information to us (such as updated financial information), obligations to comply with applicable laws (such as zoning restrictions), and obligations of any comaker. No default will occur until we mail or deliver a notice of default to you, so you can restore your right to credit advances.

(4) We are precluded by government action from imposing the ANNUAL PERCENTAGE RATE provided for under this Agreement.

(5) The priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than one hundred twenty percent (120%) of the Credit Limit.

(6) We have been notified by governmental authority that continued advances may constitute an unsafe and unsound business practice.

**Change In Terms.** We may make changes to the terms of this Agreement if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of your Credit Line Account, or if the change is insignificant (such as changes relating to our data processing systems). At any time before the expiration of the draw period, upon our discretion, we may extend or modify the term of the draw period. If the index is no longer available, we will choose a new index and margin. The new index will have an historical movement substantially similar to the original index, and the new index and margin will result in an ANNUAL PERCENTAGE RATE that is substantially similar to the rate in effect at the time the original index becomes unavailable. We may prohibit additional extensions of credit or reduce your Credit Limit during any period in which the maximum ANNUAL PERCENTAGE RATE under your Credit Line Account is reached.

**Expenses.** To the extent not prohibited by applicable law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights, shall become a part of the loan payable on demand, and shall bear interest at the Note rate from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's expenses for bankruptcy proceedings (including efforts to modify or vacate the

HOME EQUITY LINE OF CREDIT AGREEMENT AND DISCLOSURE  
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automatic stay or injunction) and appeals, to the extent permitted by applicable law.

**Access Devices.** If your Credit Line is suspended or terminated, you must immediately return to us all credit line checks and any other access devices. Any use of credit line checks or other access devices following suspension or termination may be considered fraudulent. You will also remain liable for any further use of credit line checks or other Credit Line access devices not returned to us.

**Delay in Enforcement.** We may delay or waive the enforcement of any of our rights under this Agreement without losing that right or any other right. If we delay or waive any of our rights, we may enforce that right at any time in the future without advance notice. For example, not terminating your account for non-payment will not be a waiver of our right to terminate your account in the future if you have not paid.

**Cancellation by you.** If you cancel your right to credit advances under this Agreement, you must notify us and return all credit line checks and any other access devices to us. Despite cancellation, your obligations under this Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement.

**Prepayment.** You may prepay all or any amount owing under this Credit Line at any time without penalty, except we will be entitled to receive all accrued FINANCE CHARGES, and other charges, if any. Payments in excess of your Minimum Payment will not relieve you of your obligation to continue to make your Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. You agree not to send us payments marked "paid in full", "without recourse", or similar language. If you send such a payment, we may accept it without losing any of our rights under this Agreement, and you will remain obligated to pay any further amount owed to us. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Chase, Attn: HE Payoff Exceptions, Mail Code OH4-7168, 3415 Vision Drive Columbus, OH 43219.

**Notices.** All notices will be sent to your address as shown in this Agreement. Notices will be mailed to you at a different address if you give us written notice of a different address. You agree to advise us promptly if you change your mailing address.

**Credit Information and Related Matters.** You agree that everything that you have stated in the application for this Agreement is correct to the best of your knowledge. You understand that we will retain the application whether or not credit is approved. You are informed that we may have requested a consumer report (credit report in connection with the application) and that, if you ask us, we will inform you if such a report was requested and give you the name and address of the consumer reporting agency that furnished the report. You are also informed that subsequent consumer reports may be requested, or used, in connection with any update, renewal or extension of the credit applied for. You authorize us to obtain such reports, to check your employment history and to answer questions about our credit experience with you. You authorize us to release information about you to third parties as described in our privacy policy and our Fair Credit Reporting Act notice, provided you did not opt out of the applicable policy, or as permitted by law. We may require a new appraisal of the Property which secures your Credit Line at any time, including an internal inspection, at our sole option and expense.

**Transfer or Assignment.** Without prior notice or approval from you, we reserve the right to sell or transfer your Credit Line Account and our rights and obligations under this Agreement to another lender, entity, or person, and to assign our rights under the Mortgage. Your rights under this Agreement belong to you only and may not be transferred or assigned. Your obligations, however, are binding on your heirs and legal representatives. Upon any such sale or transfer, we will have no further obligation to provide you with credit advances or to perform any other obligation under this Agreement.

**Tax Consequences.** You understand that neither we, nor any of our employees or agents, make any representation or warranty whatsoever concerning the tax consequences of your establishing and using your Credit Line, including the deductibility of interest, and that neither we nor our employees or agents will be liable in the event interest on your Credit Line is not deductible. You should consult your own tax advisor for guidance on this subject.

**Notify Us of Inaccurate Information We Report To Consumer Reporting Agencies.** Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: Chase Attn: Home Equity Loan Servicing, P.O. Box 24714, Columbus, OH 43224.

**Periodic Review.** We will conduct a periodic review of your Credit Line Account, based on credit and financial information we may obtain or receive from you from time to time.

**Collection Costs.** If you are in default under the terms of this Agreement, we may take all lawful action under applicable law to collect the money you owe us. It is our intent to collect only those attorney's fees and those expenses, court and collection costs permitted by the laws of your state and the United States (including the bankruptcy laws of the United States). You agree to pay only those collection costs and attorney's fees that we actually incur and that we may lawfully collect from you. If the laws of your state will not let us collect all or some of these collection costs and attorney's fees from you, we will not do so. To the extent the laws of your state prohibit us from contracting with you to collect such fees or costs or prohibit us from including this provision in your agreement with us, this provision is severed from this Agreement, is of no force and effect and your contract will be read and interpreted without this provision except to the extent federal law may now or hereafter preempt the law of your state.

**CREDIT CARD ACCESS.** Notwithstanding anything contained in this Agreement to the contrary, credit card access may not be available in your state. If credit card access is permitted in your state and becomes available, we will so advise you and will issue a credit card to you upon your request. Any credit card issued in connection with the Home Equity Line of Credit account is NOT a debit card. The words "credit card" as used in this Agreement mean the VISA or MasterCard that may be issued to you as an access device to your Credit Line Account. VISA is a registered service mark of Visa, U.S.A., Inc. MasterCard is a registered service mark of MasterCard International Incorporated.

**FOREIGN TRANSACTIONS.** Lender will charge, and Borrower will pay, in U.S. dollars for all foreign transactions at the exchange rate in effect at the time the transaction is entered to Borrower's Credit Line Account, including any special currency exchange charges.

**IDENTITY OF LENDER.** Lender is JPMorgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, with its main offices located in Columbus, Ohio.

**Check Safekeeping.** Lender will retain your cancelled Credit Line Checks, and will not return them with your Credit Line Account statement. You agree that your cancelled Credit Line Checks will not be returned in your statement and that the original cancelled Credit Line Checks may be destroyed after a reasonable period of time as determined by Lender. You agree that by maintaining the original Credit Line Check or a copy thereof on your behalf, Lender has otherwise made the Credit Line Check available to you in a reasonable manner. You may request a copy of any cancelled Credit Line Check. If for any reason Lender cannot return a copy of your Credit Line Check or satisfy your needs through other means, you agree that Lender will not be liable for more than the face amount of the Credit Line Check.

**Information Sharing.** Our privacy policy, which has been provided to you describes our information sharing practices and gives directions on how to opt out, or direct us to limit the sharing of Personal Information (as defined in the privacy policy) about you with other companies or organizations. You hereby agree that, if you choose not to exercise the opt outs described in the privacy policy, you will be deemed to have authorized us to share any Personal Information about you (including information related to any of the products or services you may have with any JPMorgan Chase & Co. affiliate) with other companies or other organizations.

**Supplement to Charges to your Credit Line.** If you do not pay the fees and charges for which you are obligated or that we may charge under the terms of this Agreement at the time you are required to pay them, we have the right, but not the obligation, to charge your Credit Line for those past due fees and charges to the extent permitted by the law governing this transaction. Any amount so charged to your Credit Line will be a credit advance, bear interest at the Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE until paid, and will decrease the funds available, if any, under the Credit Line. This paragraph supplements and amends but does not replace the Charges to your Credit Line paragraph.

**Stop Payments.** You may ask us to "stop payment" on a credit line check. If you do, you must tell us the name of the payee, the amount, date and number of the credit line check and who signed it. We are not bound by a stop payment order unless we have a reasonable opportunity to act on it and will not be liable for failing to stop payment if we used ordinary care. You agree to indemnify us and will pay all costs and expenses we incur (including reasonable attorney fees) as a result of honoring your stop payment order. This indemnity will survive any termination of this Agreement. You agree to pay the fee indicated in the Conditions Under Which Other Charges May Be Imposed section of this document for each request to "stop payment" on a credit line check.

**Additional Restriction on Access Devices.** You may not use your credit line checks, your credit card, or any other credit access device made available to make payments on your Credit Line Account.

**Governing Law.** This agreement will be governed by and interpreted in accordance with federal law and the laws of the State of New York, except for matters related to interest and the exportation of interest, which matters will be governed by and interpreted in accordance with federal law (including, but not limited to, statutes, regulations, interpretations, and opinions) and laws of the State of Ohio. However, if there ever is a question about whether any provision of the agreement is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction which is evidenced by this and other related documents has been approved, made and funded, and all necessary documents have been accepted by Lender in the State of Ohio.

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Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Interpretation. You agree that this Agreement, together with the Mortgage, is the best evidence of your agreements with us. If we go to court for any reason, we can use a copy, filmed or electronic, of any periodic statement, this Agreement, the Mortgage or any other document to prove what you owe us or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. You agree that, except to the extent you can show there is a billing error, your most current periodic statement is the best evidence of your obligation to pay.

Severability. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Hazard Insurance. Notice is hereby given to you pursuant to Section 38.9 of the New York Banking Board Regulations that we for this loan require you to obtain hazard insurance on the improvements on the property securing this loan. We cannot require you however to obtain a policy in excess of the replacement cost of the improvements on the property securing the loan.

Acknowledgment. You understand and agree to the terms and conditions in this Agreement. By signing this Agreement, you acknowledge that you have read this Agreement. You also acknowledge receipt of a completed copy of this Agreement, including the Fair Credit Billing Notice and the early home equity line of credit application disclosure, in addition to the handbook entitled "When Your Home Is On the Line: What You Should Know About Home Equity Lines of Credit," given with the application. In addition, you understand and agree to the Terms and Conditions for the Chase Payment Assurance Plan, which are included with and part of this Agreement.

BORROWER:

x   
LLOYD V. WARREN III, Individually

Effective Disbursement Date: The first business day after November 1, 2007.

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## BILLING ERROR RIGHTS

### YOUR BILLING RIGHTS

#### KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify us in case of errors or questions about your bill.

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at

Chase  
Attn: Home Equity Loan Servicing  
P.O. Box 24714  
Columbus, OH 43224

or at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than sixty (60) days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

Your name and account number.

The dollar amount of the suspected error.

Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three (3) business days before the automatic payment is scheduled to occur.

Your rights and our responsibilities after we receive your written notice.

We must acknowledge your letter within thirty (30) days, unless we have corrected the error by then. Within ninety (90) days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Credit Limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date on which it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten (10) days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.